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27 August 1954

OFFICE OF PERSONNEL MEMORANDUM NO. 20-660-7

SUBJECT: Federal Employees' Group Life Insurance Program

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1. Agency Notice [redacted] dated 25 August 1954, describes the new life insurance program available to Federal civilian employees under the provisions of Public Law 598, 83rd Congress. Under the program, each eligible employee will be automatically covered effective 29 August 1954, unless he executes and files Standard Form 53, Waiver of Insurance Coverage, with the Processing and Records Division (PRD). The Fiscal and Finance Divisions will automatically deduct the employee's contribution toward his premium from his earnings beginning 29 August 1954, unless PRD has reported the receipt of SF-53 from the employee. SF-53's received in PRD through 7 September 1954 will be processed and reported to the appropriate Payroll Branch by the close of business 8 September 1954. SF-53's received in PRD after 7 September 1954 will be reported promptly to the appropriate Payroll Branch; however, they cannot be processed by the Payroll Branches against current payrolls and deductions made under the automatic feature of the program cannot be refunded to the individuals concerned.

2. PRD will date stamp each SF-53 in the "Date Waiver Received" space in the upper right hand corner of the form immediately upon its receipt in PRD. After reporting the waiver to the appropriate Payroll Branch in accordance with the instructions provided below, PRD will file each SF-53 in the appropriate Official Personnel Folder.

a. PRD will report all SF-53's received through 7 September 1954 to the appropriate Payroll Branch by separate listings,\* according to organization, of employees paid from vouchered and unvouchered funds. These listings will be delivered by hand to the Payroll Branches by the close of business 8 September 1954.

b. SF-53's received after 7 September 1954 for employees currently on duty will be reported to the appropriate Payroll Branch by memorandum, or by listing if the number warrants it. There can be no refund of deductions made for employees filing SF-53 after 7 September 1954 since they will have been covered under the automatic feature of the program.

c. SF-53's received from employees entering on duty after 7 September will be reported to the appropriate Payroll Branch

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by the following entry under "Remarks" on Standard Form 50, or Standard Form 52 used in lieu thereof:

"Standard Form 53, Waiver of Insurance Coverage, executed by employee (date of waiver shown in Item 5 of SF-53)"

3. In processing transfer of funds actions, PRD will check the Official Personnel Folder to determine whether the individual has previously executed SF-53 and will report his waiver, if any, under "Remarks" on Standard Form 50, or Standard Form 52 used in lieu thereof, as if the individual were a new employee.

4. Procedures for the reporting of SF-53's by the Special Contracting, Allowances and Processing Staff have not been fully developed. During the initial phase, SF-53's affecting staff agents will be processed to the Finance Division by listings as described in paragraph 2a above.

5. In the case of appointees entering on duty after 7 September 1954, payroll deduction will be automatically taken unless the execution of waiver is reported to the appropriate Payroll Branch on the appointment action. Pending the development of additional procedures for distributing information during the processing period, therefore, PRD will make the attachments available to each appointee during entrance on duty processing in order that he will be able to make a decision as to whether to waive coverage. This decision must be a personal one by the individual concerned. However, each appointee must be cautioned that a waiver on his part delays any subsequent application for a period of one year and makes his application subject to medical examination or, depending on his age, disqualifies him permanently. Unless he is completely certain as to his own desires in the matter, it would seem to be to his advantage to delay executing the waiver until he has had time to consider the matter thoroughly.

6. The Employee Services Division will be responsible for providing information and assistance to employees in connection with this program. Pending publication of a standard form by the Civil Service Commission, ESD will develop a designation of beneficiary form for use when required. These forms will be retained in the Employee Services Division and interested employees will be referred to that Division. Completed forms will be forwarded to PRD in duplicate and date stamped to show the date of receipt. The original will be placed in the appropriate Official Personnel Folder and the copy returned to the employee.

7. Further instructions will be issued as required. The Planning and Analysis Staff will be responsible for coordinating the development of additional procedures and issuances to implement this program.

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